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SIPDIS

DEPARTMENT FOR EUR/CACEN (J. MUDGE), DRL/PHD (C. KUCHTA-HELBLING)

USOSCE FOR J. DUNLOP AND R. BARBER

SENSITIVE

E.O. 12958: N/A

TAGS: PGOV PREL KZ POLITICAL

SUBJECT: KAZAKHSTAN: MAZHILIS CALLS PRESIDENTIAL ELECTIONS, CANDIDATES NOMINATED

REF: A. Almaty 3047, B. Almaty 2985, C. Almaty 3245, D.

Almaty 1736

11. (SBU) Summary: With the September 7 announcement by the Mazhilis that presidential elections will be held December 4, Kazakhstani political parties have begun to nominate their candidates. President Nazarbayev used his acceptance speech to highlight his success in managing the economy and outline plans for further reform. "For a Just Kazakhstan" leader Zharmakhan Tuyakbay lashed out at the GOK for corruption and distorted statistics which paint a too-rosy view of the Kazakhstani economy. He outlined a series of populist proposals, including re-nationalizing certain state enterprises and distributing oil tax revenues directly to the public. A September 11 presidential decree setting out government responsibilities increases the mandate of the procuracy to oversee the campaign and elections. End Summary.

Presidential Elections Set for December 4

12. (U) On September 7, the Mazhilis (lower house of Parliament) called presidential elections for December 4, 12005. As reported Ref A, the announcement by the Mazhilis was a formality following the Constitutional Council's ruling on the date. The official announcement cleared the way for parties to begin nominating candidates formally on September 8. The nomination period will end on October 3. Formal CEC registration will take place October 3-24. The election campaign will begin on October 25 and end on December 2. Voting will take place on December 4 from 7:00 to 20:00. Territorial election commissions must report results to the CEC by December 7, the CEC must confirm and announce the official results by December 11, and the CEC must publish the results by December 14.

Otan Nominates Nazarbayev; Bloc to Support

- 13. (U) The Otan party, of which President Nazarbayev is the honorary chairman, held an extraordinary congress in Almaty on September 9 to nominate Nazarbayev as its candidate. In accepting the nomination, Nazarbayev highlighted the modernization program outlined in his February address to the nation. He emphasized the need for political modernization, but offered no specific proposals. Nazarbayev spoke in most detail about the need for continued economic development through diversification. Otan submitted Nazarbayev's nomination documents to the Central Election Commission (CEC) on September 12. According to press reports the CEC immediately announced that the documents were correctly prepared.
- 14. (U) The Otan party congress also decided to form a bloc with Dariga Nazarbayeva's Asar party to support Nazarbayev's candidacy. The bloc, to be called the "People's Coalition of Kazakhstan," is also expected to include the Civic, Agrarian, Democratic Peoples (DPK), and Communist People's (CPK) parties. Nazarbayeva spoke in favor of the bloc at a September 8 press conference with acting Otan chair Bakhytzhan Zhumagulov. Asar is expected to formally approve the creation of the bloc at its September 14 congress in Astana.

"For a Just Kazakhstan" Nominates Tuyakbay

15. (U) The "For a Just Kazakhstan" (FJK) opposition movement (Refs B and C) held its congress on September 10 to nominate movement leader Zharmakhan Tuyakbay as its presidential candidate. The event, which proceeded smoothly, was attended by all leading opposition figures except Alikhan

Baimenov, leader of the rump Ak Zhol party. The congress selected former DCK member-turned-Communist Tulen Tokhtasynov to run Tuyakbay's campaign headquarters, and True Ak Zhol leader Bulat Abilov to head the electoral campaign. Tuyakbay submitted his application to the CEC on September 12, at which time he met with CEC chair Onalsyn Zhumabekov to clarify registration and campaign rules.

- 16. (SBU) FJK invited the Embassy to send an observer to the congress, following up by phone several times to ensure that someone would attend. (Note: This was most likely due to the violence that has plagued previous FJK events; see Ref D.) According to FJK leader Amyrzhan Kosanov, the movement was refused access by several potential venues. As a location still had not been identified the night before the congress, delegates were instructed to meet at FJK headquarters at 9:30 am on Saturday to be bussed to the venue. Outgoing DCK senator Zauresh Battalova told POEC chief on September 10 that FJK leaders had been in "negotiations" with unspecified GOK authorities until late the previous evening, seeking approval for a venue and a guarantee of security.
- 17. (SBU) In his acceptance speech, Tuyakbay claimed that economic conditions in Kazakhstan were worse than the GOK admitted, due to a distorted definition of the poverty line. He called for the dismantlement of the "monopolistic clan economy," and for measures to increase social protection and reduce the gap between rich and poor. He also announced plans to support the development of small- and medium-sized enterprises and to address unemployment. Highlighting the need for fair conditions for farmers, Tuyakbay called for a moratorium on the sale of farmland.
- 18. (SBU) Somewhat alarmingly, Tuyakbay called for the renationalization of "illegally privatized" state-owned enterprises in the areas of natural resources, natural monopolies, government facilities in Almaty, and extra-large land plots. The properties would then be privatized again "fairly." Tuyakbay announced plans to begin distributing 50% of taxes coming from the extractive industries to the public, beginning in 2006. He said that state owned energy company KazMuniGaz (KMG) will be ordered to supply the domestic fuel market fully, at "fair prices." Tuyakbay said his government would work to create one million new jobs, and would push for fundamental changes to the tax code. It would also curtail the construction of new government buildings in Astana. Tuyakbay promised to increase funding for pensioners dramatically, to double the health care budget, to increase access to higher education, and to allocate \$100 million per year to support teaching of the Kazakh language.

Other Candidates

- 18. (U) At the moment, independent senator Ualikhan Kaisarov is the only other candidate to have registered for the elections. In a September 9 Interfax interview, Kaisarov praised Nazarbayev for having done much for Kazakhstan. He criticized the team around Nazarbayev as "excessively corrupt," and claimed that "[Nazarbayev's] team opposes whatever progressive ideas the president suggests." Kaisarov concluded that the main task was to "change [Nazarbayev's] team," and the only way to do that is to choose a new president.
- 19. (U) Ak Zhol is widely expected to nominate its cochairman Alikhan Baimenov at its September 20 congress in Almaty. In his public comments to date, however, Baimenov has remained noncommittal.

Presidential Decree on Conduct of Elections

110. (U) On September 10, official Kazakhstanskaya Pravda published a decree on "Measures on the Fulfillment of Electoral Rights of Citizens of the Republic of Kazakhstan" signed by President Nazarbayev on September 9. The decree, which is being characterized by the GOK as an effort to ensure "free, fair, and competitive" presidential elections, directs:

- -- the CEC to ensure citizens' rights to vote and be elected;
- -- the government to provide adequate financing;
 -- the procuracy to strengthen its oversight of the electoral process and to react promptly to complaints and violations;
- -- akims to ensure accurate voter lists and support local electoral commissions;

- -- the Ministry of Culture, Information, and Sport to ensure equal access to the media for all candidates;
 -- the CEC to accredit foreign election observers and media;
 -- the Ministry of Justice to expedite the issuance of ID cards and passports and the registration of candidates'
- election funds; and -- the Ministry of the Interior, along with akims, to ensure social order and security during the campaign.

The decree also urges political parties and other social organizations to ensure control over election-related events. Unfortunately, there was nothing in the decree ordering presidentially-appointed akims not to abuse administrative resources to support the President's election.

111. (U) Speaking at an NGO forum on September 12, Nazarbayev stressed that the decree gave law enforcement the task of making sure that NGOs obey the law and that there is no foreign interference.

Comment

112. (SBU) Comment: While most observers still expect significant flaws in the conduct of presidential elections, the process has proceeded well thus far. The fact that FJK was able to hold its nominating congress with no violence or other provocation was a positive development, and by no means a foregone conclusion. President Nazarbayev's decree and his public comments about the need for free and fair elections are also steps in the right direction. However, his September 12 remarks about the expanded role of the procuracy may foreshadow another period of rising tension between the GOK and NGOs. The application of the decree, candidate registration, access to the media, and the potential misuse of administrative resources are the next big challenges. End comment.

113. (U) Minimize or Dushanbe considered.

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